




THE SECRETARY OF TRANSPORTATION

WASHINGTON, D.C. 20590

February 26, 2002

The Honorable John D. Dingell  
Ranking Member  
Committee on Energy and Commerce  
U.S. House of Representatives  
Washington, DC 20515

  
~~Dear Congressman Dingell:~~

Thank you for your letter regarding the Enron Corporation, and its gas pipeline facilities that the U.S. Department of Transportation regulates under the pipeline safety statutes. I want to assure you that the Department is committed to pipeline safety, and we are closely monitoring Enron pipeline facilities to ensure that Enron's current financial condition does not compromise the safe operation of those facilities.

As you know, the Research and Special Programs Administration (RSPA), through its Office of Pipeline Safety (OPS), is responsible for carrying out the duties and powers with respect to pipeline safety that are vested in the Secretary of Transportation. RSPA and its State partners conduct a vigorous inspection program to ensure that pipeline operators comply with the Federal pipeline safety standards and take appropriate compliance and enforcement actions when unsafe practices or violations are discovered.

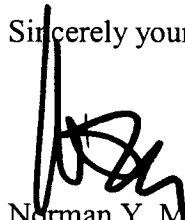
Your letter requested that OPS begin an investigation of all Enron's natural gas facilities. When news of Enron's financial collapse was made public, OPS immediately initiated a series of unannounced inspections - in addition to its continuous standard inspections - at Enron operations around the country. OPS sent a team of inspectors to Enron headquarters to perform a records audit in order to verify that safety continues to receive paramount corporate attention. Investigating a company's business transactions is not part of the Department's statutory authority to administer the pipeline safety statutes. OPS will, however, continue standard and unannounced inspections at Enron facilities to closely monitor personnel, operations and maintenance.

In response to your request for safety records of gas transmission facilities owned by Enron or its subsidiaries, or in which Enron had a major financial interest, we are providing the enclosed material. The material consists of: Federal and State reports of inspections and accident investigations conducted at Enron facilities from 1989 through 2001; Federal and State compliance actions taken against Enron facilities from 1989 through 2001; and Federal and State civil penalties assessed, and amounts collected, for that same period.

While I understand your concern with the Department's decision to incorporate risk management practices into its pipeline safety regulatory scheme, I continue to support that decision. I believe risk management is the appropriate approach to addressing pipeline safety risks at this time. OPS has had success with this approach since its application in the mid 1990's. By incorporating such practices into a pipeline integrity management program, we are advancing safety by requiring operators to prioritize risks and address them on a system-wide basis. Accordingly, I want to assure you that under both the current and any prospective regulatory framework, OPS is and will remain the regulator of pipeline safety operations, issuer of pipeline safety standards, and enforcer of these standards.

It is the Department's principal mission to ensure that our Nation has the safest transportation system possible, including the safe transportation of gas and hazardous liquids by pipeline. If you would like to discuss this matter or need further information, please do not hesitate to call me, or have your staff call Sean O'Hollaren, Assistant Secretary for Governmental Affairs, at 202-366-4573.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Norman Y. Mineta', is written over the closing 'yours,'.

Norman Y. Mineta

Enclosure